REMARKS:

In the outstanding Office Action, the Examiner rejected claims 97, 98, and 100. Claims 97, 98 and 100 are cancelled herein without prejudice. Claims 101-106 are added herein. Claims 1-96 and 99 remain cancelled. No new matter is presented. Thus, claims 101-106 are pending and under consideration. The rejections are traversed below.

DOUBLE PATENTING REJECTION:

In the outstanding Office Action the Examiner rejected claims 97, 98, and 100 on the ground of nonstatutory obviousness-type double patenting as being unpatentable over claims 1, 10 and 12 of U.S. Patent No. 6,965,869.

As mentioned above, claims 97, 98, and 100 are cancelled herein without prejudice, and therefore withdrawal of the double patenting rejection is respectfully requested.

Further, it is respectfully submitted that since claims of the instant application have not yet been indicated as allowable, it is believed that any submission of a Terminal Disclaimer or arguments as to the non-obvious nature of the claims would be premature. MPEP § 804(I)(B).

Therefore, it is respectfully requested that the Applicants be allowed to address any obviousness-type double patenting issues remaining once the rejection of the claims of the present application is resolved and that the rejection be reconsidered in light of the claims presented below.

REJECTION UNDER 35 U.S.C. §103(a):

In item 6 on page 3 of the Office Action the Examiner rejected claims 97, 98, and 100 under 35 U.S.C. §103(a) as being unpatentable over U.S. Patent No. 5,056,019 (<u>Schultz</u>) in view of U.S. Patent No. 5,201,010 (<u>Deaton</u>) in further view of U.S. Patent No. 4,882,675 (<u>Nichtberger</u>).

As mentioned above, claims 97, 98, and 100 have been cancelled without prejudice or disclaimer.

NEW CLAIMS:

New claim 101 is added to recite, "a customer database for stored cumulative points in relation to each customer" updated based "upon current cumulative points and the service points issued" including "sending the customer's current cumulative points stored in the customer database to the terminal prior to performing transactions by the customer based upon a result of

said identifying of the customer." See also claims 103 and 105 reciting similar features. Applicants respectfully submit that the cited references do not teach these features.

Similarly, the cited references do not teach or suggest "a customer database for stored cumulative points" where the system "sends the customer's current cumulative points stored in the customer database to the terminal prior to performing transactions by the customer based upon a result of said identifying of the customer, displays the customer's current cumulative points", as recited in claim 102. See also claims 104 and 106 reciting similar features.

In contrast, <u>Schultz</u> determines rewards based on the status report that is executed at a time prescribed by the central system (see, col. 7, lines 60-67). At least on page 4 of the outstanding Office Action, the Examiner indicates that <u>Schultz</u> awards the consumer with points for each purchase. However, <u>Schultz</u> only discusses "a periodic status report.. usually monthly" indicating the member consumer's progress toward earning rewards to be periodically sent to clients (see description of "create statement records 10a" in Fig. 1).

The Examiner acknowledges that <u>Schultz</u> fails to teach that point balance is sent to the terminal after the customer identification, but relies on <u>Deaton</u> as teaching the same. However, <u>Deaton</u> is directed to cases when a checkout has already been carried out and deals with displaying or printing coupons for customers after the purchase and payment of the purchased items (see, col. 69, line 46-57 discussing dissemination of coupons "to induce the infrequent shopper to come back").

On page 5, at the second paragraph of the Office Action, the Examiner states, "Nichtberger teaches a paperless system for ... and applies the coupons to items as they are being purchased before totaling the purchase amount (column 17, lines 30-61)." Although totaling is discussed at col. 17, lines 62 – 64, it is apparent that the related totaling is performed after the checkout for each item has already been carried out. This is apparent since Nichtberger (col. 17, 62 - 64) explicitly states, "the ability to process coupon redemptions after individual item checkout (but before totaling) is desirable feature" (i.e., but not enabled).

Applicants respectfully submit that none of the cited references teach or suggest the features including "a customer database for stored cumulative points" and "sending the customer's current cumulative points stored in the customer database to the terminal prior to performing transactions by the customer based upon a result of said identifying of the customer", as taught by the claimed invention (claims 101-106).

Even assuming arguendo that <u>Schultz</u>, <u>Deaton</u>, and <u>Nichtberger</u> did disclose the features discussed by the Examiner, the Applicants respectfully submit that there is no motivation to

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combine the cited references. The Examiner stated that the combination of the references

would be obvious because the reward certificates taught by Schultz act as earned coupons that

can be applied for a discount or free gift.

MPEP §2143.01 states that obviousness can only be established by combining or

modifying the teachings of the prior art to produce the claimed invention where there is some

teaching, suggestion, or motivation to do so. The record, however, fails to provide the required

evidence of a motivation for a person of ordinary skill in the art to perform such modification.

Therefore, as there is no requisite motivation to combine the references cited by the Examiner,

the Applicants respectfully request the withdrawal of the Examiner's §103 rejections.

Further, even if Schultz, Deaton, and Nichtberger were combined, these references do

not teach or suggest the above-identified features including "a customer database for stored

cumulative points" and "sending the customer's current cumulative points stored in the customer

database to the terminal prior to performing transactions by the customer based upon a result of

said identifying of the customer", as recited in claims 101-106.

Therefore, it is respectfully submitted that claims 101-106 are patentably distinguishable

over Schultz, Deaton, and/or Nichtberger.

CONCLUSION:

There being no further outstanding objections or rejections, it is respectfully submitted

that the application is in condition for allowance. An early action to that effect is courteously

solicited.

Finally, if there are any formal matters remaining after this response, the Examiner is

requested to telephone the undersigned to attend to these matters.

If there are any additional fees associated with filing of this Amendment, please charge

the same to our Deposit Account No. 19-3935.

Respectfully submitted,

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